

## **Minutes of the Finance Committee**

**Wednesday, July 22, 2009**

Chair Haukohl called the meeting to order at 8:30 a.m.

**Present:** Supervisors Pat Haukohl (Chair), Bill Zaborowski, Jean Tortomasi, Steve Wimmer, and Jim Heinrich. Pamela Meyer arrived at 8:32 a.m. and Rob Hutton arrived at 1:45 p.m.

**Also Present:** Chief of Staff Mark Mader, Legislative Policy Advisor Ann Olson, Administration Director Norm Cummings, Information Systems Manager Mike Biagioli, Collections & Business Services Manager Sean Sander, Sheriff Dan Trawicki, Inspector Steve Marks, Business Manager Tom Koth, Jail Administrator Mike Giese, Senior Financial Analyst Lyndsay Johnson, Principal Buyer Cindy Greco, Airport Manager Keith Markano, Airport Operations Assistant Kurt Stanich, Accounting Services Manager Larry Dahl, Principal Financial Projects Analyst Bob Ries, Principal Financial Projects Analyst Cindy Behrens, Architectural Services Manager Dennis Cerreta, Public Works Interim Director Allison Bussler, Engineering Services Manager Gary Evans, County Board Supervisors Duane Paulson and Dave Swan, Business Manager Betsy Crosswaite, Budget Specialist Linda Witkowski, Senior Landscape Architect Pam Linn, Parks & Land Use Director Dale Shaver, Community Development Coordinator Glen Lewinski, Emergency Preparedness Director Rich Tuma, and Emergency Management Coordinator Bill Stolte. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of 6-17-09**

MOTION: Tortomasi moved, second by Wimmer to approve the minutes of June 17. Motion carried 5-0.

### **Schedule Next Meeting Dates**

Haukohl advised the next Finance Committee meeting was scheduled for August 5. Heinrich said he would not be able to attend that meeting and Wimmer was unsure if he could attend.

Meyer arrived at 8:32 a.m.

### **Review Correspondence**

Haukohl referred to the following correspondence sent out with today's agenda.

- Finance Committee 2010 operating budget review schedule and staff appearances for October.
- Notice from the Department of Administration on changes to Waukesha County's Workers' Compensation claims administration.

### **Executive Committee Report**

Haukohl advised the Executive Committee, at their last meeting, approved the resolution and ordinance pertaining to the West Waukesha Bypass, also on this agenda, and the appointments that were included in the last yellow packet. The committee also heard a legislative update and committee reports.

### **Mid-Year Department of Administration Budget Status Report**

Cummings gave a progress report on their departmental strategic objectives and goals as outlined in the 2009 adopted budget book. Cummings said they budgeted \$57,000 less in tax levy for vacancy and turnover but the turnover rate is not as high as they expected, likely due to the economy and reduced retirement fund balances. To cover this, managers have been asked to scrutinize operating

expenditures. Therefore, they will likely need to budget more than usual once the economy improves. Staff have been working with Corporation Counsel on records imaging/disposal. The last consultant was let go and they will be going out with a new RFP in the near future. Determining the location of the new records center is a key initiative. Over the last five years, they have replaced 49 physical IT servers with two virtual servers which has saved more than \$250,000.

### **Mid-Year Status Report on Department of Administration Capital Projects**

Biagioli and Sander gave a progress report on the department's capital projects as outlined in the 2009 adopted budget book including the electronic document management system, Internet and Intranet infrastructure, Health & Human Services automation, tax records system, fiber and wireless to County facilities, upgrade Office suite from Windows 2000, collection system interface, County-wide financial operations and management system study, consolidation of network operating systems, re-engineering IT infrastructure, IT infrastructure upgrade to wiring closets, e-document management and archival, and time and attendance system. No new or major concerns were raised.

### **Ordinance 164-O-035: Expenditure Of Seized Funds Amend 2009 Sheriff's Department Budget Multiple Expenditure Requests July 2009**

Trawicki discussed this ordinance as outlined. The department currently has a seized fund balance of more than \$160,000 and staff are requesting to use up to \$79,330 to purchase various equipment for the Sheriff's Department. This includes dive suits, scuba tanks, and dive team accessories (\$22,905); polygraph technician training (\$17,000); traffic vests for patrol staff (\$8,750); magazine clips and pelican cases (\$7,700); cameras for the evidence area (\$7,500); etc. Also on this list was \$1,250 for a plasma television for the Sussex Substation which the Judiciary Committee amended to \$800 for "television and wall mount brackets."

MOTION: Tortomasi moved, second by Zaborowski to approve Ordinance 164-O-035 as amended by the Judiciary Committee. Motion carried 6-0.

### **Contract Procurement Process for Snow Removal Services – Airport**

Markano advised the contract was awarded to Snow Patrol, the highest rated proposer, for a total cost of \$1,074,705 for a five-year contract. The first year budgeted amount was listed as "to be determined." A total of four contractors submitted RFP's for consideration.

MOTION: Wimmer moved, second by Meyer to approve the contract procurement process for snow removal services at the Airport. Motion carried 6-0.

### **Review End User Cost Allocation Plan**

Dahl distributed copies of "End User Technology Fund Overview" which included information on trends, history, cost allocation bases, 2010 preliminary EUTF allocations, server point allocations, and 2009 highlights. A previous internal audit recommendation was made to shift cost allocation basis from workstations to servers and User ID's (number of users) to more accurately reflect cost drivers. Basically, what they were trying to accomplish with this plan was to stabilize departmental budgets. It provides a planning framework by identifying all costs related to maintaining a basic technology infrastructure.

Dahl said this is happening more slowly than originally anticipated whereby he referred to the declining importance of PC workstations as an element of cost. Instead, they are seeing more emphasis on the applications themselves and associated costs. They are trying to capture these costs and allocate them to the people using them. They are seeing results including more movement

by departments to consolidate common applications and they are relying more on dedicated servers for specialized applications. With greater focus on trying to support less servers, they have installed virtual servers which are easier to manage, less expensive, and more energy efficient. Preliminary EUTF allocations for 2010 were listed at \$5.5 million. Dahl said they have been using a number of offsetting items to get that figure down so the charges paid reflect the full cost. He noted we're at about 68% now, up from about 58% last year, and it will take at least a couple of years before we are fully phased in at 100%.

#### **Overview of the Comprehensive Annual Financial Report (CAFR)**

Dahl highlighted the CAFR as outlined including the financial section, basic financial statements, proprietary funds, internal service funds, etc. Mader opined that this CAFR was one of the best. Dahl advised the total County fund balance as of December 31, 2008 was \$111,098,000 – an increase of \$9,327,000 from year-end 2007. Also, there was \$118 million worth of net assets on our balance sheet, with infrastructure accounting for about \$104 million.

The committee recessed at 11:50 a.m. and reconvened at 12:50 p.m.

#### **Ordinance 164-O-030: Approve Amendment To The 2009 Farm Service Agency Rental Agreement**

Cerreta and Bussler were present to discuss this ordinance which approves an amendment to the lease for office space provided to the Farm Service Agency (FSA) for the year 2009. The lease is changed to increase the rent paid by the FSA from \$15.56 per square foot to \$16.26 or from a total of \$26,187 annually to \$27,366. The ordinance also approves a change to the required time for notice of lease termination from 120 days to 30 days.

MOTION: Heinrich moved, second by Wimmer to approve Ordinance 164-O-030. Motion carried 6-0.

#### **Resolution 164-R-004: Approve West Waukesha Bypass Memorandum Of Understanding**

Bussler and Evans gave a presentation on this resolution which approves the preliminary memorandum of understanding (MOU) between the State of Wisconsin, the City and Town of Waukesha, and the County for the West Waukesha Bypass project on file in the Public Works Department. Bussler distributed copies of a location map for the bypass. She noted the debate on this bypass started in the 1950's and the City of Waukesha mapped the proposed route in the 1970's.

At this time, the County will be responsible to fund and complete the Environmental Impact Statement in the next two years (2009-2010) for an estimated cost of \$2 million. Once this study is complete, more updated costs will be determined. The total project cost is currently estimated at \$50.7 million. Bussler noted that all parties would need to agree to resume negotiations if the project exceeds \$50.7 million. If construction proceeds, Waukesha County will also be responsible for real estate acquisitions south of Northview Road up to a cost of \$3 million and the construction of the new roadway between USH 18 and Northview Road estimated at \$3.6 million.

This MOU also identifies future jurisdictional transfers. Waukesha County will relinquish 3.4 miles of two-lane highway but gain 4.9 miles of two-lane roadway and 3.6 miles of four-lane roadway. Staff estimate total annual operating costs related to the additional lane miles will increase by \$134,000 which is partially offset with anticipated revenues of \$98,000 for an estimated net operating County cost increase of \$36,000.

Paulson spoke in support of the bypass and said it was well overdue. Bussler said she has heard a lot of positive feedback from the public as well and Tortomasi agreed.

Hutton arrived at 1:45 p.m.

MOTION: Tortomasi moved, second by Wimmer to approve Resolution 164-R-004. Motion carried 7-0.

**Ordinance 164-O-032: Amend 2009-2013 Capital Plan And Modify The 2009 Capital Budget**

Bussler discussed this ordinance as outlined which amends the capital plan creating new capital project #200917 titled Waukesha West Bypass with an estimated net expenditure appropriation of \$5,720,000, net of estimated Federal Highway funding applied of \$2,880,000. This project is expected to allow for the completion of the environmental impact statement and preliminary design work for the bypass from STH 59 to I-94.

MOTION: Wimmer moved, second by Tortomasi to approve Ordinance 164-O-032. Motion carried 7-0.

**Ordinance 164-O-026: Wissner / Craig Property Acquisition**

Linn and Shaver explained this ordinance which authorizes the department to use Tarmann Parkland Acquisition funds to purchase approximately 229 acres of land in the Town of Vernon for \$755,000, or \$3,297 per acre. Linn displayed aerial maps and advised of the proposed acquisition location. Additional expenses associated with this transaction are estimated at \$8,109, primarily for survey and appraisal costs, document recording fees, and closing costs. The department has received a letter from the DNR indicating they may be eligible for a stewardship grant in the future to partially offset the cost.

MOTION: Heinrich moved, second by Tortomasi to approve Ordinance 164-O-026. Motion carried 6-1. Hutton voted no.

**Ordinance 164-O-031: Accept And Appropriate Funds Under The Community Development Block Grant – Emergency Assistance Program From The Wisconsin Department Of Commerce**

Lewinski discussed this ordinance which authorizes Waukesha Community Development as the lead applicant to accept and appropriate \$4,380,000 in State funding to provide assistance with 2008 flood damage. Detailed budget information was distributed. The State approved six eligible projects submitted by Waukesha County, Town of Mukwonago, City of Oconomowoc, Town of Summit, City of Waukesha, and City of Pewaukee which Lewinski explained in detail. He noted that included with the grant are funds to hire temporary extra help related to these projects. On August 6 he will be meeting with the municipalities to get an update as to how they will pay for the remaining costs associated with these projects, for example, special taxing districts.

MOTION: Wimmer moved, second by Heinrich to approve Ordinance 164-O-031. Motion carried 7-0.

**Ordinance 164-O-033: Accept Homeland Security-Urban Area Security Initiative (UASI) FY2008 Program Funding And Modify The Emergency Preparedness 2009 Budget To Appropriate Grant Revenues And Expenditures To Purchase An Emergency Generator**

Stolte and Tuma explained this ordinance as outlined to approve \$135,000 in federal funding from the UASI. The funds will primarily be used to purchase a trailer-mounted mobile generator to support mass clinic operations for mass distribution of pharmaceuticals at a major facility such as the Expo Center. Currently, Waukesha County does not have a large venue equipped with emergency power generation capacity to support mass clinic operations. Ongoing maintenance costs are estimated to be about \$1,000 per year and will be paid for by Emergency Management and Health & Human Services.

Hutton and Meyer spoke of concerns they had, basically with what they feel seems to be a never ending pot of money from Homeland Security for items that may rarely or never be used. Tuma advised that one the reasons they have come before the County Board so many times is because the grants don't open up at the same time. This was part of a negotiation with UASI last year when area officials got together and decided what was important for the region. A mobile generator was one of the items on that list. The City of Milwaukee, by far, gets most of the money in the area. Tuma said these are all things for emergency preparedness and disasters that they hope don't happen but if they do they want to be prepared. Stolte added we need to be able to respond to emergencies and if we don't purchase the equipment with grant money, we will have to purchase it with tax levy. To answer Meyer's question, Stolte said the total we were eligible for in 2008 was \$477,306. This includes this generator, ACU-1000 equipment (Ordinance 164-O-034), the recent EOC upgrade, the data sharing project which is a work-in-progress, etc. They will be meeting in about 2.5 weeks to develop the 2009 spending plan. He noted the grant award came in lower than what the UASI had submitted whereby Tuma said 2009 is probably the lowest grant year to date. To answer Meyer and Hutton's concern as to why these items are not in the regular Emergency Preparedness budget, Haukohl stated that if they were they would not be eligible for grant funding as that would be considered supplanting.

MOTION: Tortomasi moved, second by Zaborowski to approve Ordinance 164-O-033. Motion carried 5-2. Hutton and Meyer voted no.

**Ordinance 164-O-034: Accept Homeland Security-Urban Area Security Initiative (UASI) FY2008 Program Funding And Modify The Emergency Preparedness 2009 Budget To Appropriate Grant Revenues And Expenditures To Purchase Communications Equipment For The Mobile Command Post**

Stolte and Tuma reviewed this ordinance as outlined which involves accepting \$50,000 in federal UASI funding to purchase an ACU-1000 which is a piece of equipment that can be used to link disparate radio and phone systems together so that emergency response agencies on different radio systems can be patched into the Waukesha County 800 MHz countywide radio system. Staff advised there will be no on-going maintenance costs associated with the equipment.

MOTION: Wimmer moved, second by Tortomasi to approve Ordinance 164-O-034. Motion carried 7-0.

MOTION: Heinrich moved, second by Meyer to adjourn at 3:21 p.m. Motion carried 7-0.

Respectfully submitted,

Approved on: \_\_\_\_\_

Pamela Meyer  
Secretary